



# Glenn ANDERSON

SEPTEMBER 2007

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## STATE SENATOR



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*Dear Friend:*

*As I begin the second half of my first year as your Senator, I am both optimistic and enthusiastic about the challenges and opportunities ahead. I am proud of the legislation I have sponsored as well as the many events and activities I have been invited to participate in and support. I've been privileged to meet many of you face-to-face and communicate with many more through your letters and emails. I look forward to increasing that number even more as my term progresses.*

*While I have already been able to accomplish a great deal, I am reminded daily of the work yet to be done. Our state budget continues to consume the majority of my focus, and I am committed to finding solutions to our state's financial difficulty in a way that invests in our future, makes college tuition more affordable, and protects vital state services like road work and public safety. My future plans include continuing my efforts to pass legislation that will protect consumers from fraudulent lenders; restoring fairness to Michigan insurance laws, reforming government, creating a school environment that is safer and more conducive to learning; and making college more affordable for working families.*

*This newsletter focuses on programs to make higher education and worker training more accessible to everyone. A more prepared workforce will encourage business investment in our state. Meanwhile, I remain motivated and encouraged by your support as I continue to work to protect the health, safety and quality of life of each and every one of you. I hope you will continue to share your concerns and ideas as we work together to move Michigan forward. Please don't hesitate to contact me if I can be of assistance.*

*Sincerely,*

Glenn S. Anderson  
State Senator • 6th District

## Anderson E-News Report

*The Anderson E-News Report is up and running and we would love for you to be a part of it. To subscribe, please send your e-mail address to Senator Anderson@senate.mi.gov and write "e-news add" in the subject line. You can check out the Senator's latest activities in Lansing and in the district by visiting his senate website at [www.senate.mi.gov/anderson](http://www.senate.mi.gov/anderson).*



# Senator Anderson's Education Update



## Legislation of Interest



**I**n addition to providing funding for our state schools, the legislature can work to make college more accessible in many ways. Below are some bills pending action in the House and Senate.

**HJR K:** A constitutional amendment that would require public universities to guarantee a student admission if they graduate from a Michigan high school in the top 10% of their class.

**SB 482:** In an effort to protect college students from the harmful effects of secondhand smoke and reduce the likelihood of fires, I introduced this bill, which would prohibit smoking in dormitories.

**HB 4093:** This bill would create the “Veterans Tuition Waiver Act,” which would waive up to \$2,500 of tuition costs annually for qualified veterans of the current wars in Iraq and Afghanistan.

**HB 4096:** This bill would establish the “Michigan Opportunity Scholarship Program” to assist financially needy students who aren’t eligible for other scholarships to pay for college.

**HB 4559:** This legislation would create the “Entrepreneurship Education Act,” providing reimbursement up to \$300 for classes related to starting a small business or venture.

## FAFSA Tip Sheet

**T**he Free Application for Federal Student Aid (FAFSA) is a form that college students (undergraduate and graduate) must complete to qualify for federal student financial aid. Many universities and states also use the FAFSA to award non-federal aid. In this era of rising tuition costs, it is vitally important that parents and students carefully prepare as they complete the FAFSA and apply for financial aid.

Here are a few helpful tips to help parents and students complete the FAFSA form:

- **Apply Early:** FAFSA deadlines vary from state to state so, to be safe and maximize your chances of receiving financial aid, it is smart to file as soon as possible after January 1. Remember, need-based financial aid is limited, and most awards are offered on a first-come, first-served basis.
- **Estimate:** Since the FAFSA requires information from your tax return, you should file your taxes as soon as possible after January 1 in order to provide the most accurate information. If you are unable to do so, do not delay submitting the FAFSA—use tax returns from previous years to estimate your income as accurately as possible. You will have an opportunity to make corrections at a later date, if necessary.
- **Apply Online:** Filing online at <http://fafsa.ed.gov> is by far the quickest way to apply. It can take as long as 4-6 weeks to process the paper version of the form, while electronic filing usually takes only 7-10 days to process.
- **Filing Online Reduces Errors:** Since the online form requires you to enter information correctly before proceeding to the next page, you will be less likely to make mistakes on the application.
- **Avoid Common Mistakes:** Make sure to read the instructions carefully.
  - Words like “you” and “your” will always refer to the student.
  - Don’t leave any fields on the form blank—if the question doesn’t apply to you, simply answer “not applicable.”
  - Avoid using commas or decimal points, and always round to the nearest dollar.
  - Take the time to proofread your application before submitting it.
  - Don’t forget to have the student and parent(s) sign the form.
- **Stay Organized and Always Make Copies:** Since you will be dealing with a lot of paperwork (tax returns, W-2s, and other forms), stay organized by having a folder where you can keep all your documents in one place. Also, be sure to make hard copies of everything before submitting the FAFSA.
- **Apply Each Year:** You must reapply for federal aid each year by completing the FAFSA or, if you qualify, the Renewal FAFSA.

# Michigan Education Trust (MET) Town Hall Held

Over the summer, every public university in the State of Michigan voted to raise tuition rates for incoming college freshmen—some by as much as 21 percent.

As our state transitions into a 21st Century economy, the need for an educated workforce is greater than ever.

While these recent tuition hikes are troubling—and a clear sign that swift action is needed to close our structural budget deficit—guaranteed

tuition programs like the Michigan Education Trust can help keep the cost of higher education within reach for Michigan's working families.

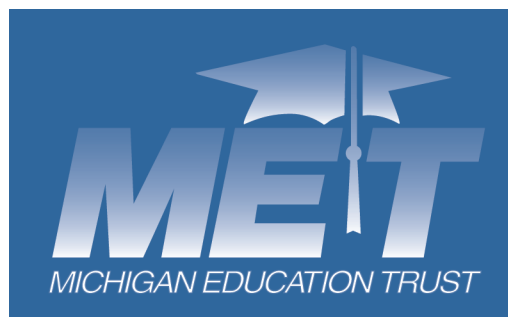
Earlier this month I held a town hall meeting in Livonia with Robin Lott, Executive Director of MET, to answer questions about the tuition savings program.

Since its debut in 1988 as the nation's first guaranteed tuition program, MET has sold nearly 80,000 contracts

with assets of \$976 million. As Ms. Lott explained, MET contracts can be purchased for Michigan

contracts, including lump sum, monthly, electronic funds transfer, and payroll deduction.

Investment management, program administration and distribution for MET is provided solely by the Michigan Department of Treasury.



children in increments from just one semester to four years of education (eight semesters). Several payment options are available for MET

For more information on the MET program, you can call **1-800-MET-4-KID**, or visit: <http://setwithmet.com>

## Michigan Education Trust Tip Sheet

Here are some helpful tips on how your family can start saving for higher education with the MET program:

- **Peace of Mind for Parents:** MET allows parents, grandparents, businesses, and others to pre-purchase undergraduate tuition for a child residing in Michigan at any Michigan public university or college, including 28 public community colleges.
- **Portability:** Students may direct refund payments to any eligible university in the nation, both private and public.
- **Flexibility:** Students have 15 years to use tuition benefits. MET contracts may be purchased by semester or by year. MET offers payment plans over four, seven, ten, and fifteen years. Payroll deduction is offered through participating employers.
- **Transferable:** Benefits may be transferred to a sibling or first cousin in the event the student receives a full scholarship or does not attend college.
- **Refundable:** In the event the student does not wish to attend college, monies are refunded.
- **Tax Deductible:** Total contract price can be deducted from state income tax. Prepaid tuition earnings are tax-exempt when benefits are used for higher education.
- **MET's Guarantee:** Under the contract, MET will guarantee payment of tuition and mandatory fees without further charge. MET guarantees in-state tuition at public four-year colleges and universities in Michigan or in-district tuition at public community colleges in Michigan.

## Michigan Education Savings Program

An alternative to the Michigan Education Trust is the Michigan Education Savings Program (MESP). Also administered by the Michigan Department of Treasury, MESP account earnings have the opportunity to grow federal and Michigan income tax-deferred until withdrawn. The program was recently recognized by *Money* magazine as one of the top five best 529 College Savings Plans in the nation.

The earnings portion of any distributions used to pay for qualified higher education expenses are exempt from Michigan and federal income taxes. Contributions to MESP accounts during a given tax year—less the amount of any qualified withdrawals from those accounts during that tax year—are also deductible from Michigan adjusted gross income for that tax year (up to \$5,000 for a single return or \$10,000 for a joint return).

Similar to a 401(k), MESP offers seven different investment options that vary in their investment strategy and degree of risk, allowing you to select an option or combination of options that fits your needs and investment philosophy.

An MESP account can be opened for as little as \$25, and there are no annual contribution limits. Whether a beneficiary decides to go to a private or public college or university, in-state or out-of-state, trade or graduate school, funds in the account may be used at any eligible higher educational institution in the nation. Savings may be applied toward tuition as well as college-related expenses, such as books, supplies, required fees and certain room and board costs.

For more information on MESP, be sure to visit: <http://www.misaves.com>.



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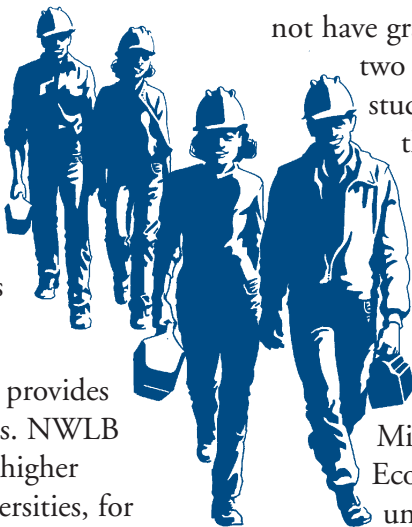
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## New No Worker Left Behind Program

**G**overnor Jennifer M. Granholm recently launched the No Worker Left Behind (NWLB) program, a worker development initiative that emphasizes linking training to existing jobs. In April, Sen. Anderson introduced an amendment, which was passed, to the Department of Labor and Economic Growth (DLEG) budget that made possible funding for many of the displaced worker programs included in NWLB.

The ability of displaced workers to compete in our changing economy—and the resulting prosperity of our communities—directly relates to the training we make available for workers. This crucial program will help bring jobs to our community, fill the needs of local companies, and give thousands of workers a second chance at success.

The federal Workforce Investment Act provides funding for worker retraining programs. NWLB allows workers to use that funding for higher education programs at colleges or universities, for instance Schoolcraft College, as well as training programs; Anderson’s initiative ensures that programs run by local school districts are also eligible. Both Livonia and Wayne-Westland Schools operate career technical programs separate from the intermediate school districts eligible for this funding.



To take part in NWLB, participants must earn a certification or degree needed in a high-demand occupation or gain the entrepreneurial skills necessary to start their own businesses. By 2012, Michigan will have a shortage of 334,000 skilled workers. Eligibility includes any person who is currently unemployed, who has received a notice of termination or layoff from employment, or whose family income is \$40,000 or less. Participants must be at least 18 years old, must not have graduated from high school within the last two years, and must not be full-time college students. They have three years to sign up for the program.

Partners in the No Worker Left Behind initiative include Michigan’s 28 community colleges, the Michigan Community Colleges Association, the Michigan Works! Association and 25 Michigan Works! agencies, the Michigan Department of Labor and Economic Growth, four-year colleges and universities, and licensed proprietary schools.

The Governor proposed NWLB in her 2007 State of the State address. For more information about NWLB, call Michigan Works! at 1-800-285-WORKS (9675) or go to the NWLB website at [www.michigan.gov/nwlb](http://www.michigan.gov/nwlb).